

State of Alaska FY2003 Governor's Operating Budget

Department of Administration Labor Relations Component Budget Summary

Component: Labor Relations

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Component Mission

To achieve the purposes of the Public Employment Relations Act by acting as the executive branch representative in contract negotiations and contract administration matters.

(Mission statement for this component was not provided in CH90, SLA2001).

Component Services Provided

CONTRACT NEGOTIATION – Negotiations for the state's 12 bargaining unit contracts and subsequent amendments to the contracts are coordinated by Labor Relations staff. Staff act as chief spokespersons for the state's bargaining teams and handle all associated logistics. The section is responsible for issuing contract interpretive memoranda as needed.

CONTRACT ADMINISTRATION – Labor Relations staff investigate complaints and grievances that reach the Commissioner of Administration level in the process and work with the unions and agency staffs to settle whenever possible. When grievances cannot be settled Labor Relations staff are advocates for management in arbitrations.

TRAINING – Labor Relations staff provide training on all new contracts, facilitate training for agency human resource managers on employment law and on the arbitration process, and dispute/complaint handling training for state supervisors.

ADVICE AND COUNSEL – Staff provide expert advice and counsel to human resource managers on employee relations issues.

Component Goals and Strategies

REDUCE STATE LIABILITY BY PROVIDING ON-GOING TRAINING FOR HUMAN RESOURCE MANAGERS, LABOR RELATIONS STAFF AND STATE SUPERVISORS

- Continue joint training of statewide supervisors and Alaska State Employees Association (ASEA) stewards (see accomplishments section);
- Continue quarterly joint training of Labor Relations staff and agency human resource managers.

BE PREPARED FOR CONTRACT NEGOTIATIONS – All 12 State bargaining unit contracts will expire by June 30, 2003. Contract negotiations are expected to begin during FY2003.

- Identify issues; develop strategy;
- Select chief spokespersons and team members for each bargaining unit;
- Provide training for chiefs and joint team training with unions.

Key Component Issues for FY2002 – 2003

IMPACT OF LIKELY DELAY OF CONTRACT NEGOTIATIONS - With the gubernatorial election in November 2002, labor contract negotiations may be delayed. It is unlikely that contracts and monetary terms will be available to present to the 2003 legislature by the 60th day. It is unknown at this time whether contract extensions will be negotiated or whether we will be operating with expired contracts until monetary terms can be approved in the 2004 session. This situation is expected to put increasing stress on labor-management relations.

Major Component Accomplishments in 2001

IMPROVED WORKING RELATIONS WITH AFSCME/ASEA – GGU BARGAINING UNIT – Last February State Labor Relations staff and ASEA business agents worked together for two days with facilitators from the Federal Mediation and Conciliation Service to determine whether/how we could build a more effective working relationship. The outcome was a document of understanding known as the Kenai Covenant of Good Faith. The covenant is based on our common desire

to settle employee disputes at the lowest possible level in the state organization. The agreement spells nine guidelines for achieving this goal. The ninth point calls for joint training of all State supervisors and GGU stewards. Seven sessions were held around the state before the end of the fiscal year. The State and AFSCME/ASEA applied for and have now received a grant from the Federal Mediation and Conciliation Service in FY2002 to conduct the remainder of these joint sessions. The training is designed to build mutual respect through a common understanding of the roles and responsibilities of both parties. Approximately 20 sessions will be held during FY 2002. Training should be completed in early FY2003.

REDUCTION IN GRIEVANCE FILING – Since mid-FY2001, grievances filed by our largest employee union, ASEA, have been reduced by approximately 30%. Increased cooperation between union and management is largely responsible for the reduction.

Statutory and Regulatory Authority

AS 23.40.070-250 Public Employment Relations Act

Labor Relations

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	660.2	808.9	826.0
72000 Travel	48.3	31.8	31.8
73000 Contractual	165.1	134.3	137.3
74000 Supplies	9.6	8.0	8.0
75000 Equipment	0.1	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	883.3	983.0	1,003.1
Funding Sources:			
1004 General Fund Receipts	878.5	983.0	1,003.1
1053 Investment Loss Trust Fund	4.8	0.0	0.0
Funding Totals	883.3	983.0	1,003.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Investment Loss Trust Fund	51393	4.8	0.0	0.0	0.0	0.0
Restricted Total		4.8	0.0	0.0	0.0	0.0
Total Estimated Revenues		4.8	0.0	0.0	0.0	0.0

Labor Relations**Proposed Changes in Levels of Service for FY2003**

No change in service level.

Summary of Component Budget Changes**From FY2002 Authorized to FY2003 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	983.0	0.0	0.0	983.0
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	20.1	0.0	0.0	20.1
FY2003 Governor	1,003.1	0.0	0.0	1,003.1

Labor Relations**Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	12	12	Annual Salaries	622,084
Part-time	0	0	COLA	20,582
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	217,283
			<i>Less 3.95% Vacancy Factor</i>	(33,989)
			Lump Sum Premium Pay	0
Totals	12	12	Total Personal Services	825,960

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	1	0	1
Labor Rel Specialist I	0	0	4	0	4
Labor Rel Specialist II	0	0	1	0	1
Labor Rel Specialist III	0	0	3	0	3
Labor Relations Mgr	0	0	1	0	1
Personnel Asst II	0	0	1	0	1
Personnel Specialist I	0	0	1	0	1
Totals	0	0	12	0	12